

IN THE CLAIMS:

1. (Presently amended) A method of operating a reward points system in conjunction with a ~~credit~~ card network, the ~~credit~~ card network comprising at least one issuing bank for issuing a ~~credit~~ card to a user and at least one acquiring bank for collecting payment from the issuing bank on behalf of a merchant and paying the merchant, the method comprising the steps of:
 - a. providing a reward point account database in a central reward server operating in association with the card network, the central reward server enabling a plurality of independently operating merchants to each have a plurality of individual user reward point accounts stored in said reward point account database and associated with said independently operating merchant,
 - b. a user executing a purchase transaction with a transacting merchant selected from said plurality of independently operating merchants by presenting to the transacting merchant a credit card for payment of the transaction;
 - c. the transacting merchant requesting an acquiring bank to obtain approval of said purchase transaction from an issuing bank; and
 - d. the transacting merchant instructing ~~the~~ a central reward server to add reward points to a user merchant reward point account associated with the transacting merchant and the user.

2. (Presently amended) The method of claim 1 further comprising the step of redeeming reward points from the ~~merchant~~ user reward point account by the steps of
- the user executing a purchase transaction with a redeeming ~~the~~ merchant;
 - the user utilizing reward points from at least one of the user ~~merchant~~ reward point accounts associated with the user for the purchase transaction;
 - the redeeming merchant instructing the central reward server to ~~decrement~~ reduce the user ~~merchant~~ reward point account associated with the user by the amount of reward points used in the transaction.
3. (Presently amended) The method of claim 1 further comprising the steps of
- establishing a reward point exchange account on the central reward server ~~credit card network~~;
 - selecting reward points from each of a plurality of user ~~merchant~~ reward point accounts associated with different independently operating merchants for exchange into the reward point exchange account; and
 - aggregating the selected reward points into the reward point exchange account.
4. (Presently amended) The method of claim 3 further comprising the step of redeeming aggregated reward points from the reward point exchange account by the steps of
- the user executing a purchase transaction with a redeeming ~~the~~ merchant;

the user utilizing aggregated reward points from the reward point exchange account for the purchase transaction;
the reward point exchange account being reduced by the number of aggregated reward points utilized for the purchase transaction.

5. (Presently amended) The method of claim 3 comprising the further steps of:
 - establishing a cluster of independently operating merchants, each of which have user ~~merchant~~ reward point accounts established with the reward point account database in the central reward server ~~an acquiring bank~~;
 - allowing aggregation of points from each of the independently operating merchants in the cluster into the reward point exchange account; and
 - disallowing aggregation of points from a merchant not a member of the cluster.
6. (Presently amended) The method of claim 5 comprising the further step of allowing for redemption of aggregated reward points only with redeeming merchants that are members of the cluster.
7. (Presently amended) The method of claim 3 wherein the reward point exchange account is administered by the ~~credit~~ card network operator.
8. (Original) The method of claim 3 wherein the reward point exchange account is administered by an issuing bank.

9. (Original) The method of claim 3 wherein the reward point exchange account is administered by an acquiring bank.
10. (Original) The method of claim 3 wherein reward points from an independent reward point system may be aggregated into the central exchange reward point account.
- 11-20 (Cancelled).
21. (New) The method of claim 2 wherein the user executes the redemption purchase transaction completely with reward points from the reward point account.
22. (New) The method of claim 2 wherein the user executes the redemption purchase transaction partially with reward points from the reward point account and partially with other consideration.